

Berks County and the City of Reading



**PUBLIC HEARING ON
HOUSING AND
COMMUNITY
DEVELOPMENT NEEDS**

Thursday, June 2, 2016

Consolidated Plan & Annual Plan

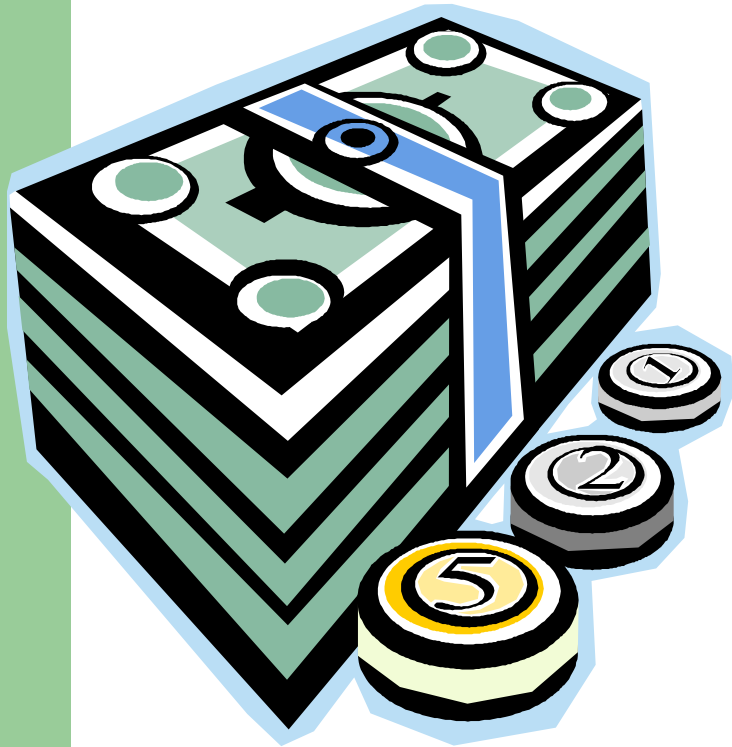
Five Year Plan: 2014-2018

- Identifies local housing and community development needs
- Strategy for addressing local needs

Annual Plan 2017

- Describes actions to be undertaken to meet strategic plan goals
- Details budget for use of federal funds

FUNDING CYCLE 2017

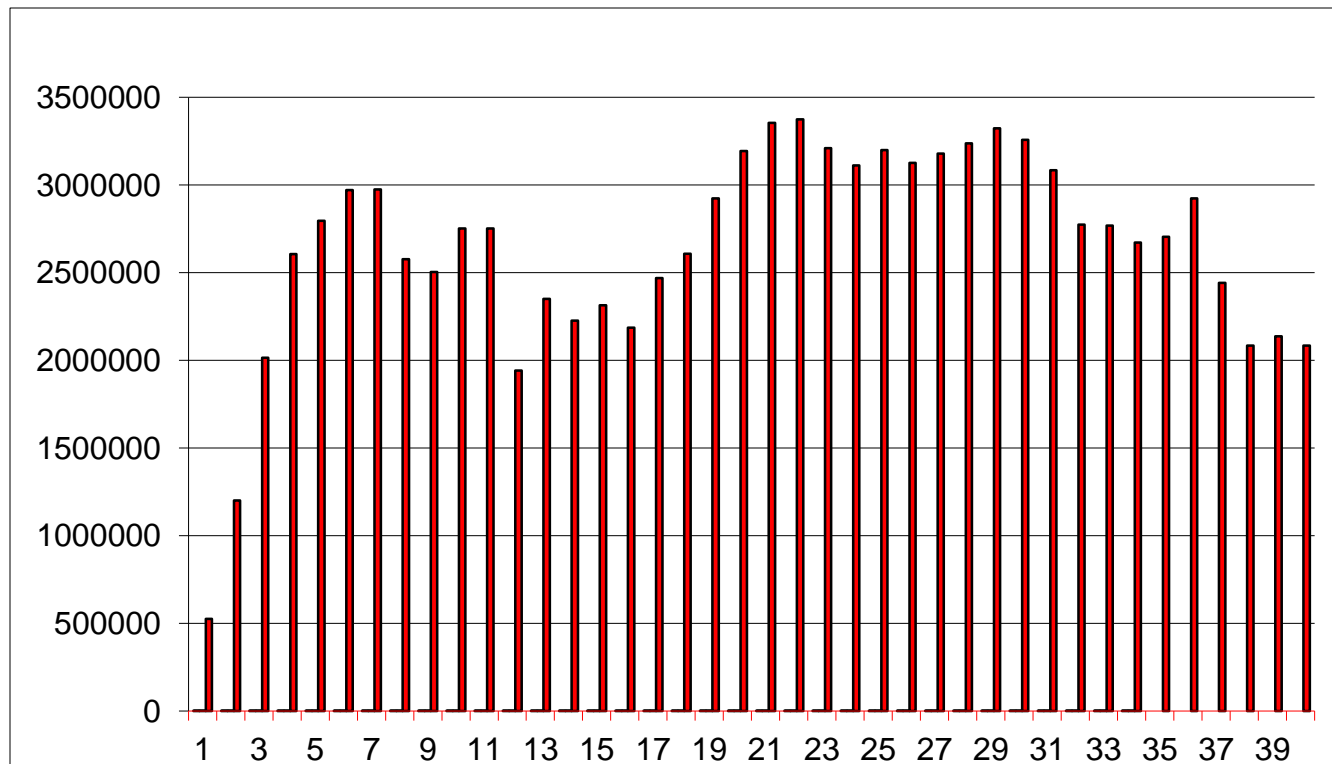


FY 2017 allocation estimates:

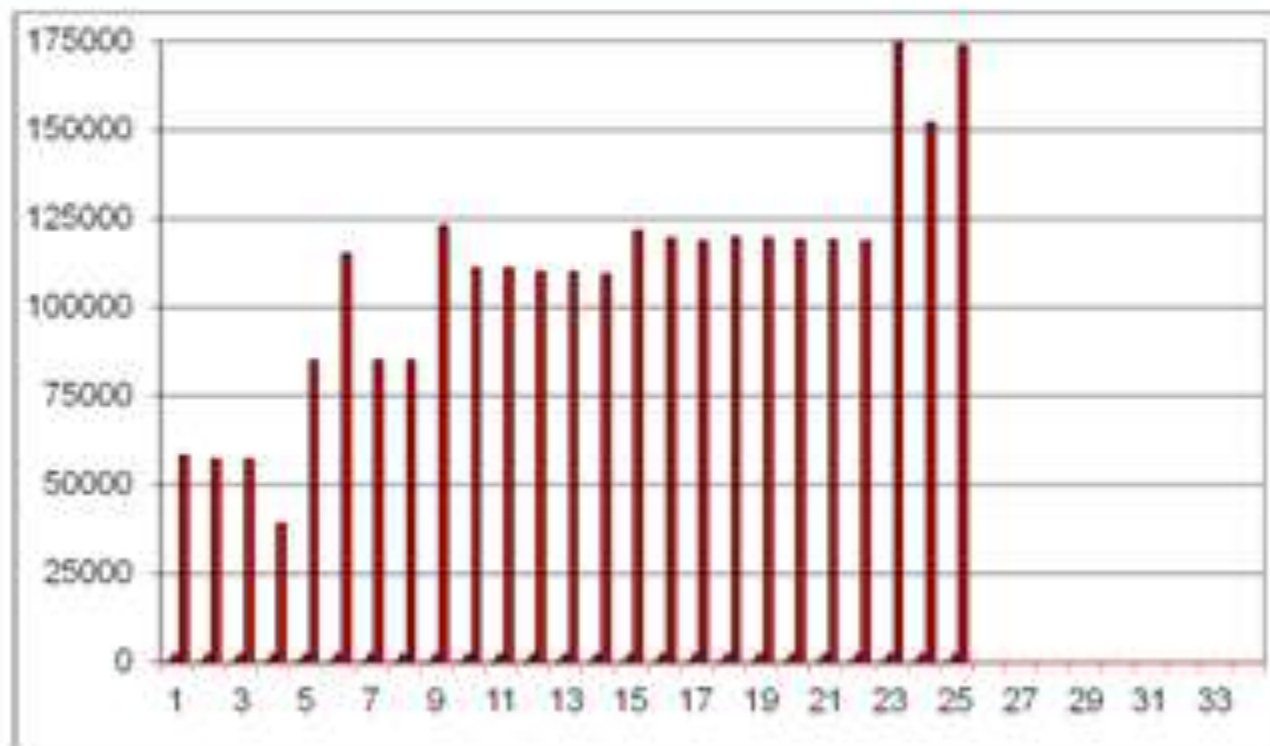
	BERKS COUNTY	READING
CDBG	2,048,000	\$ 2,456,385
HOME	450,000	\$756,936
ESG	185,000	\$223,211

CDBG Funding Levels 1975 to 2016

Berks County

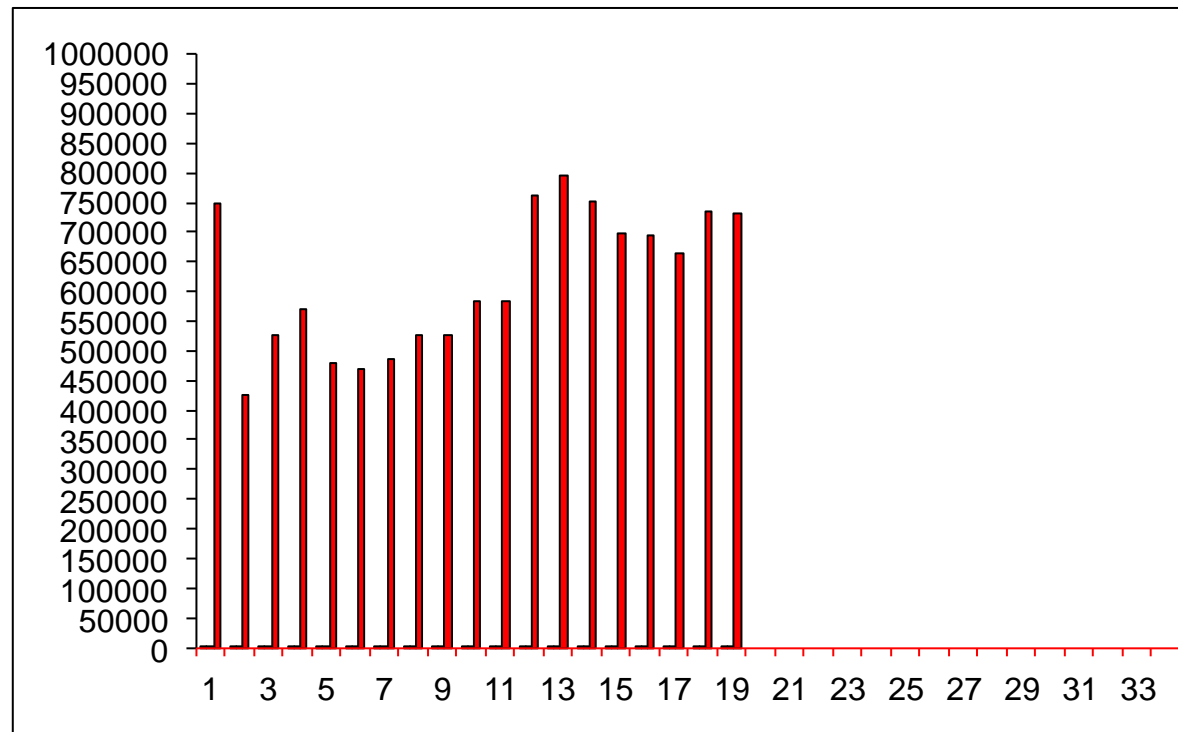


ESG Funding Levels 1990 to 2014 Berks County



HOME Funding Levels 1992 to 2016

Berks County



FUNDING PROPOSALS

- Proposals encouraged for “ELIGIBLE” and “FUNDABLE” activities
- Use County and City’s application format
- Proposals will be evaluated based on
 - Timeliness – ability to complete in one year
 - Eligibility and meeting a National Objective
 - Demonstration of need

ELIGIBLE ACTIVITIES

Some Examples Include:

- ❑ **Housing Rehabilitation**
- ❑ **Homeownership Assistance**
- ❑ **Public Facilities and Improvements**
- ❑ **Blight Removal / Site Clearance**
- ❑ **Code Enforcement**
- ❑ **Economic Development**
- ❑ **Public Services**
- ❑ **Acquisition/Disposition of Real Property**

INeligible Activities

Some Examples Include:



NO Political activities

**NO Construction of housing units
by a unit of local government**

**NO Operation and maintenance of
public facilities/improvements**

**NO General government expenses
including construction of general
government buildings**

NO Purchase of equipment

NO Direct income payments

FUNDABLE ACTIVITIES

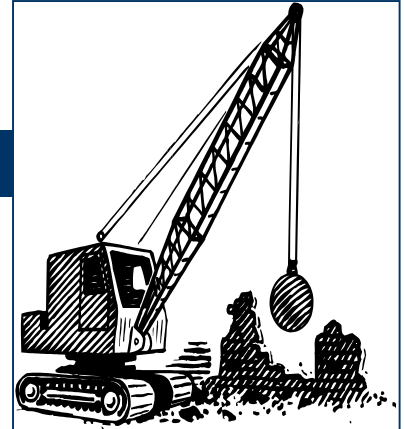
Meeting National Objectives

Each activity
must meet
one of the

Three
National
Objectives



**1. Benefit Low & Moderate
Income Persons**



**2. Prevent or Eliminate
Blight**

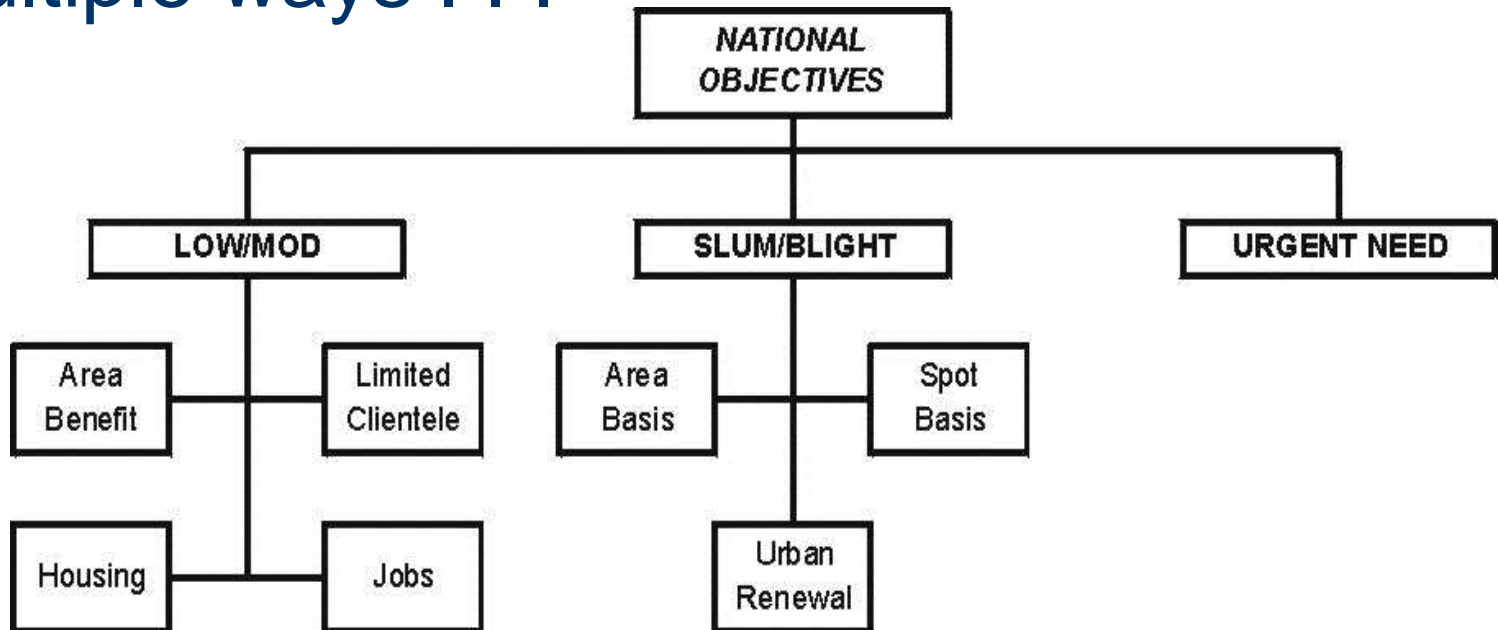


**3. Meet urgent needs
when health and
welfare are threatened**

FUNDABLE ACTIVITIES

Meeting National Objectives

National Objectives can be met in multiple ways . . .



LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

1. Area Benefit

In the County: Must serve a primarily residential geographic area which is at least 41.3% low/moderate income persons, or a survey of area resident's demonstrates that 51% or more are low/mod income

In the City: Must serve 51% low/moderate income persons by Census tract or block group.





AREA BENEFIT

Factors to determine the area served by a public facility or improvement are:

- ✓The nature of the activity;
- ✓The location of the activity;
- ✓Access to the facility; and
- ✓The availability of comparable activities.

LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

2. Limited Clientele

Clientele presumed to be low/mod:

- ✓ *Abused children*
- ✓ *Battered spouses*
- ✓ *Elderly person*
- ✓ *Homeless persons*
- ✓ *Illiterate adults*
- ✓ *Migrant farm workers*
- ✓ *Adults meeting definition of “severely disabled”*
- ✓ *Persons living with AIDS*

OR

**Clientele document
family income \leq
80% of AMI**

OR

**Nature and location of the service
predominantly used
by low/mod income
persons**

OR

**Eligibility requirements limit
clientele to low/mod
income persons**

OR

**Activity removes
material or architectural barriers
to accessibility of
elderly persons or
“severely disabled”
adults**

LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

3. Housing



Providing or improving permanent residential structures which, upon completion, will be occupied by low-and moderate-income households.

LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

4. Job Creation/Retention



The activity must involve employment of persons, a majority of whom are of low and moderate income.

LOW & MODERATE INCOME BENEFIT

Definitions

- ❑ Income – Section 8 low income limit established by HUD
 - Very Low Income – under 30% of Area Family Median Income
 - Low Income – 31% to 50% of AFMI
 - Moderate Income – 51% to 80% of AFMI
- ❑ Family – all persons living in the same household who are related by birth, marriage or adoption.

LOW & MODERATE INCOME BENEFIT

2014 HUD Income Limits

Family/Household Size	Low Income	Very Low Income	Extremely Low Income (30% of Median)
1 person	\$37,450	\$23,450	\$14,050
2 person	\$42,800	\$26,800	\$16,050
3 person	\$48,150	\$30,150	\$18,050
4 person	\$53,500	\$33,450	\$20,050
5 person	\$57,800	\$36,150	\$21,700
6 person	\$62,100	\$38,850	\$23,300
7 person	\$66,350	\$41,500	\$24,900
8 person	\$70,650	\$44,200	\$26,500

ELIMINATION OF SLUM & BLIGHT

Area Basis or Spot Basis?

Definition of slum and blight per state law (P.L. 991) or local law.



HOME PROGRAM

Eligible Activities



- **Homebuyer Programs**
 - Provide assistance to low-income households to cover some costs such as down payment and closing costs
 - constructing or rehabilitating single family homes
- **Homeowner Rehabilitation Programs**
- **Rental Housing Programs**
- **Tenant-Based Rental Assistance (TBRA)**

EMERGENCY SOLUTIONS GRANT

Eligible Activities

- Emergency shelter
 - Operations and maintenance
 - Essential services
 - Rehabilitation
- Street Outreach
- Homelessness Prevention
- Rapid Re-Housing and Stabilization Services
- HMIS Data Collection



HOME and ESG Program

Special Rules

HOME Investment Partnership Act

- ❑ Dedicated Housing Program
- ❑ 15% set-aside for Community Housing Development Organizations (CHDO's)

Emergency Solutions Grant Program

- ❑ Maximum funding for Shelter Services is 60%
- ❑ Street Outreach is included in the Shelter Services Cap.

Schedule: 2017 Program Year

